

Gilson Gray LLP
Filleted Financial Statements
For the year ended
30 April 2020



Gilson Gray LLP

Statement of Financial Position

30 April 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	73,709	77,190
Investments	6	183,854	131,795
		<u>257,563</u>	<u>208,985</u>
Current assets			
Debtors	7	5,119,237	3,771,057
Cash at bank and in hand		1,675,672	788,206
		<u>6,794,909</u>	<u>4,559,263</u>
Creditors: amounts falling due within one year	8	<u>3,141,136</u>	<u>2,043,186</u>
Net current assets		<u>3,653,773</u>	<u>2,516,077</u>
Total assets less current liabilities		<u>3,911,336</u>	<u>2,725,062</u>
Creditors: amounts falling due after more than one year	9	<u>113,895</u>	<u>110,038</u>
Net assets		<u>3,797,441</u>	<u>2,615,024</u>
Represented by:			
Loans and other debts due to members			
Other amounts	10	<u>3,797,441</u>	<u>2,615,024</u>
Members' other interests			
Other reserves		<u>—</u>	<u>—</u>
		<u>3,797,441</u>	<u>2,615,024</u>
Total members' interests			
Loans and other debts due to members	10	<u>3,797,441</u>	<u>2,615,024</u>
Members' other interests		<u>—</u>	<u>—</u>
		<u>3,797,441</u>	<u>2,615,024</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to LLPs subject to the small LLPs' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006 (as applied to LLPs), the statement of comprehensive income has not been delivered.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) regulations 2008) with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

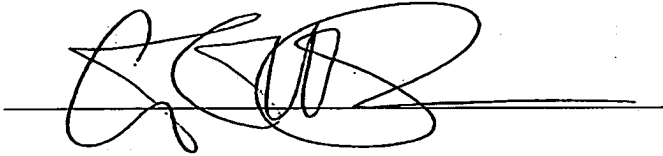
The notes on pages 3 to 8 form part of these financial statements.

Gilson Gray LLP

Statement of Financial Position *(continued)*

30 April 2020

These financial statements were approved by the members and authorised for issue on 29 January 2021, and are signed on their behalf by:

A handwritten signature in black ink, appearing to be 'G Gilson', is written over a horizontal line.

G Gilson
Designated Member

Registered number: SO304731

Gilson Gray LLP

Notes to the Financial Statements

Year ended 30 April 2020

1. General information

The LLP is registered in Scotland.

The address of the registered office is 29 Rutland Square, Edinburgh, EH1 2BW, Scotland.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in December 2018 (SORP 2018).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The Members have assessed the LLP's ability to continue as a going concern, including the impact of Covid-19 measures as discussed in note 11, and have reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax.

Rendering of services

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year within 'Members' remuneration charged as an expense'. To the extent that they remain unpaid at the period end, they are shown as liabilities in the Balance Sheet within 'Loans and other debts due to members'.

Gilson Gray LLP

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 20% straight line
IT Equipment	- 33% straight line

Investments in joint ventures

Investments in joint ventures are initially recorded at cost, and subsequently accounted for in accordance with the equity method of accounting, with the LLP's share of profits or losses recognised as income or expenditure as appropriate.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the LLP will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the LLP recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Gilson Gray LLP

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

3. Accounting policies *(continued)*

Government grants *(continued)*

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or financial liability is recognised only when the company becomes a party to the contractual provisions of the financial instrument.

Basic financial assets, which include trade and other debtors, amounts owed by undertakings in which the LLP has a participating interest, and cash and bank balances are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at the market rate of interest for a similar debt instrument.

Basic financial liabilities, which include bank loans and overdrafts, trade and other creditors, and amounts owed to undertakings in which the LLP has a participating interest are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at the market rate of interest for a similar debt instrument.

At each reporting date the company assesses whether there is objective evidence that any financial asset has been impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due. The amount of the provision is recognised immediately in profit or loss.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the LLP during the year, including the members with contracts of employment, amounted to 125 (2019: 100).

Gilson Gray LLP

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

5. Tangible assets

	Fixtures and fittings £	IT Equipment £	Total £
Cost			
At 1 May 2019	200,329	64,155	264,484
Additions	37,880	64,114	101,994
At 30 April 2020	238,209	128,269	366,478
Depreciation			
At 1 May 2019	144,240	43,054	187,294
Charge for the year	76,659	28,816	105,475
At 30 April 2020	220,899	71,870	292,769
Carrying amount			
At 30 April 2020	17,310	56,399	73,709
At 30 April 2019	56,089	21,101	77,190

6. Investments

	Loans to group undertakings £	Investment in joint ventures £	Other investments £	Total £
Cost				
At 1 May 2019	–	247,167	–	247,167
Share of remuneration for the period	56,000	309,708	56,000	421,708
Disposals - drawings	–	(313,649)	(56,000)	(369,649)
At 30 April 2020	56,000	243,226	–	299,226
Impairment				
At 1 May 2019 and 30 April 2020	–	115,372	–	115,372
Carrying amount				
At 30 April 2020	56,000	127,854	–	183,854
At 30 April 2019	–	131,795	–	131,795

Gilson Gray LLP

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

6. Investments *(continued)*

The LLP owns a 51% (2019: 51%) stake of the assets/liabilities of the entity listed below.

Aggregate capital and reserves

	2020 £	2019 £
Gilson Gray Financial Management LLP	147,403	162,158

Profit for the year

	2020 £	2019 £
Gilson Gray Financial Management LLP	662,270	625,883

Under the provision of section 398 of the Companies Act 2006 the LLP is exempt from preparing consolidated financial statements and has not done so, therefore the financial statements show information about the LLP as an individual entity.

7. Debtors

	2020 £	2019 £
Trade debtors	2,059,625	1,616,095
Amounts owed by group undertakings and undertakings in which the LLP has a participating interest	161,294	87,423
Other debtors	2,898,318	2,067,539
	5,119,237	3,771,057

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	966,779	659,944
Trade creditors	811,306	405,765
Amounts owed to undertakings in which the LLP has a participating interest	612,527	435,310
Social security and other taxes	430,316	375,183
Other creditors	320,208	166,984
	3,141,136	2,043,186

£966,779 included in bank loans and overdrafts is secured by a floating charge over all the property or undertaking of the LLP.

9. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other creditors	113,895	110,038

Gilson Gray LLP

Notes to the Financial Statements *(continued)*

Year ended 30 April 2020

10. Loans and other debts due to members

	2020 £	2019 £
Amounts owed to members in respect of profits	<u>3,797,441</u>	<u>2,615,024</u>

11. Events after the end of the reporting period

Post year end, the government measures in response to the Covid-19 pandemic continue and to mitigate the impact on the business, the LLP initially made use of the government furlough scheme. However, the members are pleased to note that trade was able to continue and increased post year end.

12. Summary audit opinion

The auditor's report for the year dated 29 January 2021 was unqualified.

The senior statutory auditor was Jeremy M Chittleburgh CA, for and on behalf of Chiene + Tait LLP.

13. Related party transactions

Gilson Gray LLP is a corporate member of Gilson Gray Property Services LLP. In the period to 30 April 2020, Gilson Gray Property Services LLP charged Gilson Gray LLP £895,288 (2019: £769,939) for management services provided by M Gray and estate agency services.